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July 31, 2014

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ORIGINAL

ARIZONA CORPORATION COMMISSION
COMMISSIONERS WING
1200W. WASHINGTON-2ND FLOOR
PHOENIX, ARIZONA 85007

RE: Waste Water- Epcor's Plan

Do not allow this to happen. We do not need higher rates. Please
Stop This Plan.

Sincerely,
Mrs Rosalie Bonadonna
And
Mr Arthur Bonadonna
15615 W. Greystone Dr.
Sun city West

Rosalie Bonadonna

Arthur Bonadonna

Arizona Corporation Commission

DOCKETED

AUG 04 2014

DOCKETED BY	<i>[Signature]</i>
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2355 West Pinnacle Peak Road, Suite 300
Phoenix, AZ 85027

epcor.com

CONSOLIDATION, DECONSOLIDATION AND YOUR WASTEWATER

July 10, 2014

Dear Customer,

EPCOR places a great deal of importance on the water and wastewater services we provide and we want you to be aware of changes or potential changes before they happen, to the best extent possible.

As an EPCOR customer, your rates are approved by the Arizona Corporation Commission (ACC) based on the reasonable costs and capital investments to provide safe, reliable and high-quality water and wastewater services.

On July 8, 2014, ACC staff issued a recommendation that the commission order EPCOR to bring forward consolidation and deconsolidation options for consideration related to EPCOR's wastewater service areas. We are pleased to support the commission as it reviews this issue, and we will work quickly to respond to the three possibilities the commission identified – full consolidation, full deconsolidation and a third option of bringing wastewater services for Anthem and Agua Fria back together. While we will explore each option, EPCOR favors full consolidation.

In recent years, the issue of whether to consolidate rates for service across multiple districts is one that has been broadly examined by many people, including our customers, the ACC, Residential Utility Consumer Office (RUCO) and EPCOR. We have also seen the negative consequences that deconsolidating, as ordered in ACC Decision 73837, has had on smaller communities where significant capital investments have been necessary.

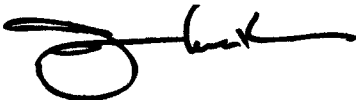
We understand that there are different viewpoints on the subject. EPCOR is a private utility company with a municipal ownership and heritage. We operate in many markets and understand the benefits of both models and the importance of providing safe, reliable service at a fair and reasonable cost to our customers.

As with all rate designs, in the short term, some customers will benefit from consolidation while others will not. We believe that over the long term that everyone could benefit from predictable, uniform rate structures, reduced regulatory expenses and increased efficiencies. Moving to a consolidated district with a single rate structure mirrors what consumers experience in most municipal districts. In other words, rates are the same regardless of where you live within a municipal area. Electric and natural gas utilities also work this way.

We'll be communicating with you throughout this process, beginning with this letter. You'll be receiving more information from us in the coming months, including where to find more information, what's next in the ACC review process and when we'll be holding informational community meetings.

At EPCOR, we take seriously our obligation to deliver safe and reliable water and wastewater services that you and your families can trust and count on, every day. Thank you for being our customer.

Best regards,



Jim McKee
Vice President, Corporate Services

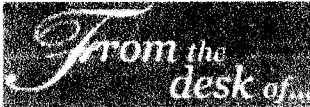


Subj: **Fwd: PORA President Response - Re-Send Due to Technical Difficulties**
 Date: 7/30/2014 6:53:07 P.M. US Mountain Standard Time
 From: diane9601@gmail.com
 To: artroe2117@aol.com

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----- Forwarded message -----

From: **PORA Newsletter Editor** <editor@porascw.org>
 Date: Wed, Jul 30, 2014 at 1:29 PM
 Subject: PORA President Response - Re-Send Due to Technical Difficulties
 To: diane9601@gmail.com



*Bill Hansen,
PORA President*

Will Waste Water Rate Consolidation of Five Districts Pass the Smell Test?

Following the mail box stuffing by EPCOR with its proposal to consolidate waste water rates among the five districts, where those charges range from \$18.11 monthly minimum, to next January's increase to \$121.91, the phones at PORA were ringing off the wall. To create a clearer understanding of what precipitated this proposal, one needs to understand a petition drive by Corte Bella residents and some other smaller districts in the Agua Fria district who bear the high end of the rate variance among the five waste water districts. Part of that rate advancement was triggered by their de-consolidation with Anthem two years ago which stripped them of 5,700 customers, as well as other factors.

Simultaneously, EPCOR decided to bring their agenda item to the Arizona Corporation Commission by offering rate consolidation as one answer to the wide variance in rates. However, that's precisely one reason why we have commissioners establishing rates, because there are variable factors among the five districts. Age of system is one, costs at the time of origin, geographical spread, number of customers to share fixed costs, and other related differences.

Rate review is rare, and it may be costly with EPCOR stating their accounting review will cost upwards of \$350,000 to \$700,000, and expressing that they don't view it as their regular cost to be deducted from profits. Likewise, other communities, such as Sun City West, who did not seek to be involved in this rate case, find no basis for their assessment of these charges. This issue remains to be resolved.

On July 22nd, at the hearing I attended on behalf of PORA, the commissioners set the agenda parameters for an August meeting to review EPCOR's accounting findings. Several PORA members had previously met with EPCOR representatives at our office for a "heads-up" discussion on what was evolving over waste water issues.

Three major areas of exploration will be pursued at the August meeting:

1. Possible re-consolidation between Agua Fria and Anthem.
2. Consolidation of Corte Bella and Sun City West.
3. EPCOR's proposal to consolidate all five waste water districts into one.

PORA intends to vigorously oppose Option #2 and #3, while not participating in Option #1, since it does not impact us directly.

We urge all Sun City West residents to email the five commissioners, expressing in your own words some of the logical reasons for opposition expressed in the second paragraph. Every resident has a variety of reasons for selecting the community of their residence such as property tax, recreational fees in retirement communities, utility costs, and other factors which all play a role in that selection. Likewise, there are very legitimate factors which cause utilities fees to differ and every residents should be entitled to make judgments accordingly. We should not be expected to bear cost burdens over that which we have no control.

Listed below is the monthly rate cost currently assessed for minimum waste water services by EPCOR by district: Agua Fria - \$106.21, going to \$121.91; Anthem \$62.43, dropping to \$56.25; Sun City \$18.11, Sun City West \$30.96, and Mohave \$56.55. All of these districts are quite diverse in age, geographical spread, time of original construction, and other factors.

Once more, our most effective weapon in defeating higher rates and consolidation is through your email objection. Listed below are the email address of the five Arizona Corporation Commissioners:

Gary Pierce, Commissioner - Pierce-web@azcc.gov *sent*

Brenda Burns, Commissioner - Burns-web@azcc.gov *sent*

Bob Stump, Chairman - Stump-web@azcc.gov *sent*

✓ Susan Bitter Smith, Commissioner - BitterSmith-web@azcc.gov *would not accept*

Bob Burns, Commissioner - RBurns-web@azcc.gov *would not accept*

The mailing address is:

Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

PORA / 13815 Camino del Sol / Sun City West, AZ 85375 / 623-584-4288 /
www.porascw.org



This message was sent to diane9601@gmail.com from:

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